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Assistant Director, ORE

3 August 1950

Chief, NIS Division, ORE

Comments on Management Survey Report

- REFERENCES: A. Memo of Management Officer to AD/ORE, dated 18 July 1950, Subject: Management Staff Study of National Intelligence Survey Division, ORE (Enclosed)
- B. Memo of Management Officer to AD/ORE, dated 14 July 1950 - Discussion of Management Staff Study of Regional Divisions which are of concern to Chief, D/NIS.

1. As a preface to comments on specific points raised in the report of the Management Officer on D/NIS operations and the NIS Program, a brief review of this program appears to be necessary in order that there may be a complete understanding of all the facts bearing upon the issues involved.

2. The NIS Program has been implemented in strict compliance with the provisions of NSCID No. 3, dated 13 January 1948. The specific provisions of this directive that are relevant in the present case are as follows:

a. "An outline of all basic intelligence required by the Government shall be prepared by the CIA in collaboration with the appropriate agencies."

b. "This outline shall be broken down into chapters, sections, and sub-sections which shall be allocated as production and maintenance responsibilities to CIA and those agencies of the Government which are best qualified by reason of their intelligence requirements, production capabilities, and dominant interest to assume the production and maintenance responsibility."

c. "Changes in the outline or allocations shall be effected by agreement between the Director of Central Intelligence and the agencies concerned."

d. "The National Intelligence Surveys will be disseminated in such form as shall be determined by the Director of Central Intelligence and the agencies concerned."

e. "The Director of Central Intelligence shall be responsible for coordinating production and maintenance and for accomplishing the editing, publication, and dissemination of these National Intelligence Surveys and shall make such requests on the agencies as are necessary for their proper development and maintenance."

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3. An interdepartmental ad hoc committee, with the CIA member designated as chairman, was established by the IAC to consider and formulate plans for the implementation of the NIS Program. The final report of this committee was approved by the IAC Agencies with a few exceptions on minor points, none of which are germane to present issues. The Director of Central Intelligence in DCI 3/1, dated 8 July 1948, directed that the Basic Intelligence program be conducted in accordance with procedures developed and agreed upon by the interdepartmental ad hoc committee.

4. The approved report of the ad hoc committee, as amended, provides for the establishment of a permanent NIS Committee with the CIA member as Chairman and defines the functions of this committee and of the IAC Agencies as follows:

a. NIS Committee

(1) The NIS Committee consists of representatives of the Director of Central Intelligence and the Chiefs of the Intelligence Agencies of the Departments of State, the Army, the Navy, and the Air Force. The representative of the Director of Central Intelligence is ex officio chairman of the committee. It also includes an advisory member from the Joint Staff who shall:

(a) Be thoroughly familiar with the basic intelligence requirements of the Joint Chiefs of Staff (JCS).

(b) Keep the JCS informed of the progress of the NIS Program.

(c) Keep the NIS Committee informed of changes in the JCS requirements.

(2) The NIS Committee performs the following functions:

(a) Considers and recommends for Intelligence Agency approval over-all policies for the NIS Program.

(b) Determines the scope and treatment of each NIS to be produced.

(c) Allocates responsibility for production and maintenance of NIS in accordance with the intelligence requirements, production capabilities, and dominant interest of the Intelligence Agencies concerned.

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(d) Establishes NIS production and maintenance schedules based upon JCS priorities and agency capabilities.

(e) Promulgates procedures and instructions for the preparation, review, editing, and submission of NIS contributions.

(f) Recommends to CIA measures necessary for the coordination of the NIS Program.

b. The Central Intelligence Agency performs the following functions:

(1) Provides over-all coordination of the NIS Program.

(2) Produces those elements of NIS allocated to it for production by the NIS Committee.

(3) Furnishes certain common services which can best be done centrally.

(4) Edits NIS contributions, provides advisory substantive review, and arranges for the publication of NIS.

(5) Disseminates NIS in accordance with Intelligence Agency agreements.

c. The IAC Agencies (State, Army, Navy and Air Force) perform the following functions:

(1) Provide a member and alternate members of the NIS Committee. This member represents, and speaks for, the Chief of the Intelligence Agency of the Department from which he is accredited.

(2) Produce and maintain the NIS elements which have been allocated by the NIS Committee as production responsibilities.

(3) Implement collection effort which may be required for NIS production and maintenance.

d. The non-IAC Agencies perform the following functions:

(1) Produce and maintain portions of NIS when explicitly assigned that responsibility by the NIS

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Committee or by an Intelligence Agency with the approval of that Committee.

(2) Furnish Intelligence Agencies with material for integration into NIS by those agencies.

5. Included as an integral part of the approved ad hoc committee report were the following:

- a. List of NIS Areas
- b. The JCS Priority List
- c. Tentative Allocations of Responsibility for Preparation of the NIS
- d. The NIS Outline and Guide
- e. Standard Editorial Instructions for the NIS

It is worthy of mention at this point that items a, c, d, and e are the products of interdepartmental effort upon which there was complete agreement between CIA and the IAC Agencies.

6. The question of paramount importance is whether or not the NIS is an interdepartmental project or a CIA project. The answer to this question appears to be clear. NSCID No. 3 directs the activation of the NIS Program by the use of such terms as "the CIA in collaboration with the appropriate agencies", "by agreement between the Director of Central Intelligence and the agencies concerned" and, "shall be determined by the Director of Central Intelligence and the agencies concerned". At no place in NSCID No. 3 is it stated, or implied, that the NIS is to be a product of "CIA with the assistance of the intelligence agencies". The interdepartmental character of the NIS Program is further recognized by the following actions:

- a. Establishment by the IAC of an interdepartmental ad hoc committee to formulate plans and procedures for the accomplishment of NIS Program objectives.
- b. Approval by the IAC of the final report of the ad hoc committee which recognized and provided for the conduct of the NIS Program as an interdepartmental project.
- c. Issuance of directives by the Director of Central Intelligence requiring conduct of the NIS Program in accordance with the approved report of the ad hoc committee.

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From its inception it is evident that the NIS Program has been considered by the NSC as an interdepartmental project; that it has been so considered by the IAC, the Director of Central Intelligence, and all those who have had an active part in the implementation of this program.

7. The allocation of production and maintenance responsibilities was made to "CIA and those agencies of the Government which are best qualified by reason of their intelligence requirements, production capabilities, and dominant interest." In those fields where CIA meets these requirements the allocation has been assigned to CIA, such as in the case of Map Division, ORE. Later, OSO/CIA requested allocation of Section 56 "Intelligence and Security" which was originally assigned to OIR/State, and this was eventually done. OSI/CIA was repeatedly requested to assume a more active part in the production of Chapter VII contributions. It was only recently that OSI accepted responsibility for coordination of Chapter VII and specific allocation of production for Sections 70 and 73 of that Chapter. In short, there is ample opportunity for CIA to assume production and maintenance responsibilities under the NIS Program where it is the best qualified by reason of the aforementioned conditions.

8. The Management Officer contends that Regional Divisions in ORE should assume responsibilities which they do not have. The Chief, D/NIS has consistently held that, in those fields of basic intelligence where CIA does not have primary responsibility, its position properly is an advisory and coordinating one and not a controlling one. That this procedure is eminently successful is attested by the contributors' acceptance of all fundamental and supportable comments arising out of the review by D/NIS and the Regional and Functional Divisions of ORE. Quantitatively, 65% of all contributions received during the past year have been given major revisions by the contributors as a result of this reviewing process. Moreover, the large majority of instances in which the Regional Division comments have not been accepted by the contributors were due to new information arriving after the cut-off date. The heavy work load and lack of agency capabilities made it infeasible in those instances to extend the cut-off date without seriously affecting the production schedule as a whole. As emphasized to the Management Officer during the course of his survey of D/NIS, this situation will gradually be improved as production flow and agency capabilities become better balanced. This has been considered at some length in the "Report of the NIS Program - Fiscal Year 1950".

9. Were CIA to "call the turn" on substantive matters, it would either have to assume complete responsibility for the NIS or attach dissenting opinions throughout the publication. The former alternative is not possible without considerable augmentation of ORE necessary for the rewriting of contributions and for the research staff to check all basic data. For instance, to do this for "ports and naval facilities" would require the maintenance of files and the availability of specialists commensurate with those now producing this material in Navy. As for the latter alternative, CIA would be placed in

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the position of tacitly approving all the material in a contribution to which it did not dissent. Since the contributing agency does have responsibility allocated to it for designated categories of basic intelligence, it is only logical that where there are differences of viewpoint, not subject to precise confirmation, the contributing agency's view prevail. Moreover, there are many categories of intelligence in which ORE has no real capabilities, such as oceanography, coasts and landing beaches, and armed forces. In the last analysis, there is no basis under present directives to permit CIA's views to prevail over those of an IAC Agency in a category of basic intelligence where that agency has allocation of production responsibility. The efforts of the NIS Coordinator have been directed toward strengthening those agencies, coordinating their activities, and in providing editorial and substantive guidance to the extent of CIA's capabilities.

COMMENTS ON RECOMMENDATIONS OF MANAGEMENT SURVEY REPORT

10. Recommendation a

The "Management Study of Regional Divisions of ORE" has been previously commented on in this report. As to the "Factors to be Reconciled Between the NIS Program and the Basic Economic Research Activity of Eastern European Division, ORE", the below comments refer to subparagraphs of Paragraph 6:

a. The "Standard Instructions for the NIS" have been made available to all Divisions of ORE in amounts which they have requested. These Standard Instructions contain the Outlines and Outline Guides, the Allocation of Production Responsibilities, the NIS Areas, Editorial Instructions, and the current Production Schedule.

b. Economic values in the NIS have been standardized to a practical extent by inter-agency agreement. It is not feasible to standardize all economic values for all areas. Where there is variation in the values, D/EE has opportunity to comment upon contributions received for review.

c. The priority of production assignment cannot be geared to every Regional Division or to every Intelligence Agency. For that reason, JCS priorities are used as the basis for NIS production. This principle has been approved by the DCI, the IAC and the NSC. As a matter of fact, all areas of interest to the D/EE are in the highest priority category. The regional set-up in the contributing agencies, however, makes it necessary to produce NIS on other areas simultaneously in order that full utilization of area specialists may be had.

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d. Copies of the "Allocation of Production Responsibilities" have been made available to D/EE. These show the agencies of the Government which are participating in the NIS Program.

e. All contributors to the NIS Program are encouraged to seek out information and expert opinion from their own agencies and other agencies of the Government, including CIA.

f. Pre-publication drafts are available to any component of CIA upon valid requirements. D/EE analysts have had such drafts made available to them on several occasions. D/NIS does not automatically leave such drafts in the Regional Divisions in the interests of reducing unnecessary dissemination of incomplete and unfinished intelligence materials.

g. D/EE as well as other Divisions of ORE have direct liaison with all agencies contributing to the NIS Program. Through these channels, they can procure basic intelligence required by them. Contributing agencies are responsible for initiating revisions of NIS for which they are responsible when there is sufficient new information to warrant such revisions.

Referring to Paragraph 7, the Management Officer says, "Consideration should be given to institution of procedures for coordination of these two basic intelligence efforts. Such actions would eliminate costly duplication of effort within the Federal Government and would enhance the quality of the intelligence product".

Comment: Representatives of the Economic Division, ORE, assisted the inter-agency committee in formulating the intelligence requirements of NIS Chapter VI "Economic". Since then there has been no indication that the Economic Branch of D/EE is dissatisfied with the NIS requirements or that it has capability to assume the production responsibility for this Chapter on the Soviet orbit, which is currently allocated to CIR/State with the assistance of the Armed Forces Agencies and the Departments of Agriculture and Interior. If such capability does in fact exist and if this is considered to be a proper function of an ORE Regional Division, the Chief, D/NIS, should be so informed in order that this matter may be laid before the NIS Committee for initial consideration and recommendation regarding reallocation of production responsibility.

11. Recommendation b

Each Office of CIA has been including NIS support in its own budget proposals. D/NIS does not see what advantages would accrue from this recommendation, but does not object to it.

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12. Recommendation d

This recommendation has been carried out as a matter of course.

13. Recommendation d

This recommendation has been dealt with at some length in preceding commentary. In brief, NSCID No. 3 clearly indicates that the NIS Program is a joint production and maintenance effort to which CIA, the IAC Agencies, and other Government agencies each contribute in accordance with its intelligence requirements, production capabilities and dominant interest; and that the DCI is responsible for coordinating production and maintenance, and for accomplishing the editing, publication, and dissemination of the NIS. In consequence, the NIS is not a product of CIA alone; it is a coordinated product in which CIA assumes the role of contributor and coordinator, and performs services of common concern.

14. Recommendation e

This recommendation reflects the mission which the editors of D/NIS have had from the inception of the NIS Program.

15. Recommendation f

Full requirements for editorial instructions have been satisfied. When all recommendations for changes and revisions have been received, the final instructions will be reproduced in a more finished and usable form.

16. Recommendation g

This recommendation is divided into three categories, namely: a) collection requirements; b) discrepancies in published NIS; and c) NIS Maintenance files.

In respect to a), the contributing agencies are now charged with the responsibility for initiating collection requests for gaps in the contributions for which they have allocation of production. The Intelligence Agencies of State, Army, Navy, and Air Force have issued directives to their field activities to implement this matter. Divisions of ORE may at any time issue collection requirements on matters at issue in the NIS. Current collection procedures provide for checking such requirements to ensure that duplicate collection requests are not sent to the field.

In respect to b) above, the directives of contributing agencies to their field activities provide for checking discrepancies in published NIS.

In respect to c) above, it is considered that any attempt to provide adequate maintenance files in D/NIS is wholly infeasible. That is a valid

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responsibility of the contributing agencies who have the staffs and the voluminous files necessary to do a proper maintenance job, and which they do as a matter of course in their day to day operations.

17. Recommendation h

This recommendation is concurred in. However, the statistical records maintained in D/NIS will be further simplified to minimize the work load whether it be done by hand or by machine methods.

18. Recommendation i

25X1C8a The question raised by Management Officer respecting the dissemination of the NIS echoes the question raised by COAPS, which was commented upon by Chief, D/NIS in memorandum to AD/ORE of 23 May 1950. Initially, COAPS was concerned about the number of copies of the NIS which were being disseminated. Excluding the 150 copies [REDACTED] which requirement, incidentally, was reached in agreement between the Director and [REDACTED] the 25X1A9a dissemination requirements of the NIS are determined by the sum total of the individual requirements of the Intelligence Agencies, the other Defense Agencies, and certain non-Intelligence Agencies which OCD is now surveying. Apparently, COAPS considers that CIA should determine the dissemination requirements of the recipients of the NIS without reference to the latter's own wishes, for in COAPS' memorandum to AD/ORE and AD/OCD, dated 14 March 1950, it states, "it is the opinion of COAPS that the original publication of the NIS for peacetime use should be limited to a maximum of 100 copies". After learning some of the facts at issue, COAPS by later memorandum of 15 May 1950, states, "If 150 of the printed run of 800 is adequate [REDACTED] we still think that a much smaller number than the present would be adequate for the United States". On two occasions COAPS has taken up the matter of reduction of NIS requirements directly with the IAC Agencies, and both times the replies have indicated that the Chiefs of these agencies, through the medium of their NIS Committee members, were keeping the matter under continuing review. Recommendation of the Management Officer is that "Dissemination of the NIS be recognized as a CIA function and such dissemination be effected in accordance with CIA dissemination policies, with due consideration being given to the desires of contributing agencies". (Underline added.) In effect, that reflects what is now being done through the medium of the NIS Committee, which determines the desires of the contributing agencies and so informs OCD. NIS dissemination policies can only be determined by reference to the contributing agencies, since it is their intelligence which is being disseminated. For those sections which CIA is contributing, the dissemination policy is determined by CIA, specifically OCB and I&SS. The present procedures for the dissemination of NIS are sound and operate to the mutual benefit of all agencies concerned. Moreover, they are consonant with present directives and policies.


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19. Recommendation j

Management Officer correctly states that, "The table of organization of Publication Branch as presently constituted is not being following in performance of activities". The principle reasons for this are: first, that the Publication Branch has never been staffed sufficiently to permit section organization as called for by the T/O; and second, that the incoming contributions have varied so much in quantity and quality as to require a very fluid organization to meet the situation. A similar situation has existed in the Editorial Branch as well. When NIS production flow stabilizes it is considered that the present organization of D/NIS will be more sound and workable than the recommended one. No changes should be made until experience has indicated what these changes should be. Moreover, there are major questions of policy respecting the NIS Program which are now before the Director for his decision and that of the IAC. The nature of those decisions will affect the rate of NIS production which in turn will have direct bearing on the size and composition of D/NIS. In consequence, it is recommended that no action be taken on the reorganization of the Publications Branch until these matters have been settled.

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Enclosed:

Reference A. (With original only)

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Enclosure